

# ZIONS BANCORPORATION

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CORPORATE COMPLIANCE  
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October 5, 2005

Ms. Jennifer J. Johnson, Secretary  
Board of Governors of the Federal Reserve System  
20<sup>th</sup> Street and Constitution Avenue, NW  
Washington, DC 20551

RE: Docket No. R-1234

Dear Ms. Johnson:

Thank you for providing us with the opportunity to comment on the proposed rule changes related to Regulation E published in the Federal Register on August 19, 2005.

Our institution is a 32+ billion-dollar bank holding company with banking offices located in Arizona, California, Colorado, Idaho, Nevada, New Mexico, Utah and Washington. Our affiliated banks engage in financial activities that will be directly affected by the proposed changes to the disclosure rules for ATM operators under Regulation E.

The proposed rule would allow ATM operators, including financial institutions, to disclose on the face of the ATM that a fee may be charged to a consumer's account rather than stating a fee will be charged. We are in favor of this proposal that allows us flexibility if there are circumstances in which a fee will not be charged for a particular transaction. We agree with the act's sponsor, Ms. Roukema who stated that the act "simply puts existing practice into law."

The proposal does not require changing any existing signs that say "will be charged" to "may be charged". We would be against any such requirement but would favor an approach to allow signs to be replaced at will. If signs are changed, it should be allowed to do it across the board or as individual ATMs are cleaned, upgraded, or replaced.

Again, thank you for providing us with an opportunity to comment on this proposed rule. If you have any questions concerning our comments, please contact Norman Merritt at [nmerritt@zionsbank.com](mailto:nmerritt@zionsbank.com).

Sincerely,

Norman Merritt  
Director of Corporate Compliance